to bear its share. And if more was required than what it was contributing now, the federal government might as well levy that in a manner which would not make an invidious distinction between the federating units. Mysore was prepared to pay that in a different form, in the shape of a federal tax, even to the extent of the amount of subsidy, if need be, but not in the shape of a tribute or subsidy.

For the above reasons, he said that he had the greatest pleasure in supporting the representation before the House.

MR. K. T. BHASHYAM IYENGAR requested the Dewan to close the discussion on the subject as everyone in the House was in favour of the proposition.

MESSRS. CAPT. Y. V. AYYA, GURUSWAMIAH, GOPALACHAR and many others agreed with the views of the previous speakers and requested the Dewan to fight out very strongly for the abolition of the subsidy and said that the whole country would be entirely with him in his attempts.

The proposition was *carried* unanimously.

RESOLUTIONS ON THE BUDGET—(*Concluded*).

Resolution No. 6.

"This Assembly recommends to Government that Local, Educational and Railway Cesses be arranged to be collected from all the officers and officials."

MR. BAGAMANE DEVA GOWDA, in moving the above resolution, observed that although the raiyats paid education, railway, irrigation and other cesses, they derived no tangible benefit in the form of either education or railway communication or even in the form of any amenity which the people living in cities and towns enjoyed without paying similar cesses. Specially officers and officials who had incomes contributed very little in return for the benefit they derived.

THE DEWAN replied that there were among the officials many who paid these cesses on the assessment they were paying on the lands held by them.

MR. BAGAMANE DEVA GOWDA pointed out that such men were only few in number and further they had also other means of livelihood unlike the raiyats who depended only on cultivation for maintenance. He therefore requested Government to levy a cess on Government officers and officials as prayed for in the resolution. He added that, by so doing, the Government stood to get more income for expenditure on necessary amenities to raiyats.

THE SECOND MEMBER OF COUNCIL enquired what the member meant by saying that cesses should be levied on officers and officials.

MR. BAGAMANE DEVA GOWDA replied that it was meant to be in the nature of a tax to be levied on income.

THE SECOND MEMBER OF COUNCIL pointed out that that was being done now. Officials and officers paid income-tax already on their respective incomes.

MR. BAGAMANE DEVA GOWDA observed that all incomes below Rs. 2,000 were not taxed. He was of the opinion that every official getting an income should be made to pay a cess.

MR. S. C. MALLIAH, in seconding the resolution, explained that the object of the mover was that in some form or other more money should be obtained from officers and officials who were deriving larger facilities for education, etc., without contributing anything towards the State exchequer. When the officers got their pay from the general revenues derived from raiyats, it was but right that raiyats also should derive equal benefits in return for the amount they paid as *kandayam*. Hence the prayer was that a cess should be levied on the salaries of officers and officials.

THE SECOND MEMBER OF COUNCIL replied that there could be no cess on salaries.

MR. S. C. MALLIAH, continuing, observed that the question was not a new one. It had been brought before the House on a previous occasion when the Government said that they would consider the matter. He therefore pleaded that the matter may be considered now at least.

MR. G. GIRIMAJI RAO opposed the resolution on the ground that it did not take into consideration the expenditure which the Government officers had to incur in the cities for availing themselves of the facilities referred to by the mover. The raiyats in villages had no such expenditure.

CAPT. Y. V. AYYA supported the resolution.

MR. L. VEMA REDDY thought that there should be equal distribution of the burden on the people as a whole.

MR. N. V. NARAYANA MURTHY, opposing the resolution, said that it laid down a dangerous principle. Tax was levied at present by the Government on a certain principle. For instance, income-tax was levied from a person whether he was an officer or a merchant, when his income was Rs. 2,000 and above. It would thus be wrong on principle to make the officers alone pay the cess leaving out the others. If the tax was going to be levied on income, it must follow that the

non-officials having an income, agricultural or otherwise, would also have to pay. This resolution could not, therefore, be accepted.

MR. M. S. LINGE GOWDA, in supporting the resolution, observed that every citizen should pay his quota for the expenses of the administration. He was of opinion that officers getting below Rs. 200 should pay something to the State exchequer. In the alternative, he suggested that the minimum taxable limit under the Income-tax Regulation might be reduced.

The resolution was thereupon put to vote and *passed*.

It was now 3 o'clock and at the request of the members of the House, further sitting for the day was closed on account of the Races.